

K. Chad Burgess
Director & Deputy General Counsel

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January 16, 2018

VIA ELECTRONCC FILING

The Honorabbe Jocelym Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29211

RE:

Joint Petition to Transfer a Certificate of Environmental Compatibility and Public Convenience and Necessity from Columbia Energy LLC to

South Carolina Electric & Gas Company

Docket No. 2018-___-E

Dear Ms. Boyd:

Enclosed for filing, on behalf of South Carolina Electric & Gas Company and Columbia Energy LLC, is a Joint Petition to Transfer a Certificate of Environmental Compatibility and Public Convenience and Necessity from Columbia Energy LLC to South Carolina Electric & Gas Company.

By copy of this letter, we are serving the South Carolina Office of Regulatory Staff with a copy of the enclosed Joint Petition and attach a certificate of service to that effect.

If you have any questions or need additional information, please do not hesitate to contact us.

Very truly yours,

K. Chad Burgess

KCB/kms Enclosures

cc:

Dawn Hipp

Jeffrey M. Nelson, Esquire

(both via electronic mail and U.S. First Class Mail w/enclosures)

BEFORE

THE PUBLIC SERVICE COMMISSION

OF

SOUTH CAROLINA

DOCKET NO. 2018- -E

IN RE:)
)
Joint Petition to Transfer a Cettificate of	
Environmental Compatibility and Public) JOINT PETITION OF SOUTH
Convenience and Necessity from) CAROLINA ELECTRIC & GAS
Columbia Energy LLC to South Carolina) COMPANY AND COLUMBIA
Electric & Gas Company) ENERGYLLC
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Pursuant to 10 S.C. Code Ann. Regs. 103-304 and 103-825 (2012) and S.C. Code Ann. § 58-33-110(2) (2015), South Carolina Electric & Gas Company ("SCE&G") and Columbia Energy, LLC ("Columbia Energy") (together the "Applicants") hereby petition the Public Service Commission of South Carolina (the "Commission") for an order approving the transfer of a Cettificate of Environmental Compatibility and Public Convenience and Necessity from Columbia Energy LLC to SCE&G. In support of this Joint Petition, the Applicants would respectfully show to the Commission the following:

FACTUAL BACKGROUND

1. SCE&G is a corporation organized and existing under the laws of the State of South Carolina. Further, SCE&G is, in part, an electrical utility engaged in the generation, transmission, distribution, and sale of electricity to the public for compensation. SCE&G's retail electric operations are subject to the jurisdiction of the Commission pursuant to the provisions of Chapter 27 of Title 58 of the South Carolina Code of Laws.

- 2. SCE&G operates an integrated electric utility system that serves approximately 717,000 customers in 24 counties covering nearly 16,000 square miles in central, southern and southwestern portions of South Carolina. SCE&G's service territory includes the metropolitan areas of Charleston, Columbia, Beaufort, and Aiken and many other smaller cities and towns, and rural areas in South Carolina.
 - 3. Corporate legal counsel for SCE&G in this proceeding are as follows:

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All correspondence and any other matters relative to this proceeding should be addressed to these representatives.

- 4. Columbia Energy is a limited liability company organized under the laws of the State of Delaware.
 - 5. Legal counsel for Columbia Energy in this proceeding is as follows:

John J. Pringle, Jr., Esquire Adams and Reese, LLP 1501 Main Street, 5th Floor Columbia, SC 29201 (803) 343-1270 jack.pringle@arlaw.com

- 6. Columbia Energy owns or otherwise has rights to use an approximately 540 MW rated combined cycle gas-fired generation facility and equipment located near Gaston, South Carolina (the "Facility").
- 7. The Facility currently operates pursuant to a Certificate of Environmental Compatibility and Public Convenience and Necessity granted by the Commission in Order No. 2001-108, issued February 6, 2001, in Docket No. 2000-487-E.
- 8. On December 20, 2017, SCE&G and Columbia Energy, after arms-length negotiation, entered into an Asset Purchase Agreement whereby Columbia Energy agreed to sell, and SCE&G agreed to purchase, the assets and properties comprising the Facility.

REQUEST FOR RELIEF

- 9. The Applicants respectfully request the Commission find that this transfer is in the interest of customers and the public and approve it for the reasons set forth below.
- 10. SCE&G is an experienced utility operator that is fully capable of operating the Facility.
- 11. SCE&G cmTently purchases the electrical power that the Facility generates from Columbia Energy to support SCE&G's service to its customers.
- 12. Through the purchase of the Facility, SCE&G will ensure that the Facility's generating capacity remains available to SCE&G's customers long-term to further SCE&G's ability to provide them with reliable and efficient electric service.
- 13. SCE&G will continue to provide thermal energy to the manufacturing facility served by the Facility under contractual terms that have been negotiated in an arms-length transaction as the Commission recognized in Order No. 2001-108.

- 14. Section 58-33-110(2) provides that, subject to the approval of the Commission, a Certificate to construct a major utility facility may be transferred to a person who agrees to comply with the terms, conditions, and modifications contained therein.
- 15. As required by S.C. Code Ann. § 58-33-110(2), SCE&G hereby agrees that it is and will continue to be bound by all of the terms and conditions set forth in Order No. 2001-108 dated February 6, 2001, entered in Docket No. 2000-487-E, wherein the Commission granted the Certificates of Public Convenience and Necessity for the Facility.
- 16. SCE&G further agrees that it is and will continue to be bound by any and all lawful orders issued by this Commission in connection with the operation of the Facility.
- 17. SCE&G has given notice of this petition to the South Carolina Office of Regulatory Staff.

CONCLUSION

WHEREFORE, the Applicants respectfully requests the Commission take the following action:

- A. Approve, pursuant to S.C. Code Ann. Reg. 58-33-110(2), the transfer of the Certificate of Environmental Compatibility and Public Convenience and Necessity from Columbia Energy to SCE&G; and
- B. Grant such other and further relief as this Commission deems just and proper.

Respectfully submitted,

K. Chad Burgess

Matthew W. Gissendanner

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Counsel for Columbia Energy LLC

Cayce, South Carolina

January 16, 2018

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2018-____-E

IN RE:

Petition of South Carolina Electric & Gas Compa	my)	
for Transfer of a Certificate of Environmental)	CERTIFICATE OF
Compatibility and Public Convenience and)	SERVICE
Necessity from Columbia Energy LLC)	
)	

This is to certify that I have caused to be served this day one (1) copy of the Joint Petition to Transfer a Certificate of Environmental Compatibility and Public Convenience and Necessity from Columbia Energy LLC to South Carolina Electric & Gas Company via electronic mail and U.S. First Class Mail to the persons named below at the addresses set forth:

Dawn Hipp
Office of Regulatory Staff
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Columbia, SC 29201
dhipp@regstaff.sc.gov

Jeffrey M. Nelson, Esquire Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, SC 29201 jnelson@regstaff.sc.gov

Karen M. Scruggs

Cayce, South Carolina

This day of January 2018